Government of Saskatchewan

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending October 9, 2015

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Oct. 9/2015	Average	**$340.00**	**$313.75**	**$279.88**	**$260.38**	**$246.80**	**$236.13**	**$232.25**
Oct. 9/2015	Range	329-356	300-335	270-308	253-276	240-255	229-249	223-239
week/week	Change	-$29.00	-$12.45	-$10.67	-$16.62	-$9.87	-$8.87	-$3.59
Oct. 2/2015	Average	**$369.00**	**$326.20**	**$290.55**	**$277.00**	**$256.67**	**$245.00**	**$235.84**
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Oct. 9/2015	Average	**$292.75**	**$270.38**	**$254.40**	**$237.00**	**$229.00**	**$224.70**	
Oct. 9/2015	Range	281-313	260-286	244-263	228-244	222-236	215-230	
week/week	Change	-$24.50	-$13.62	-$12.73	-$8.13	-$10.00	-$4.65	
Oct. 2/2015	Average	**$317.25**	**$284.00**	**$267.13**	**$245.13**	**$239.00**	**$229.35**	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficient data.

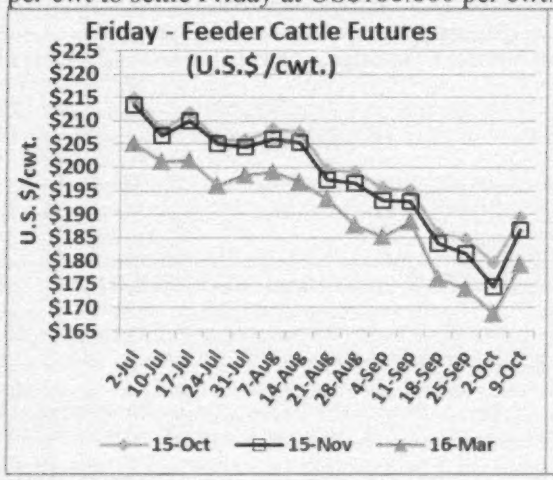
Canfax reported that a total of 15,540 head of cattle were sold in Saskatchewan this week, up from 9,503 head marketed the previous week. The fall calf run has started and numbers should continue to increase over the next few weeks.

Saskatchewan feeder steer prices were again noticeably lower over the week. Prices from the previous week ranged between $3.59 per cwt lower to $29.00 per cwt lower. The 300-400 lb. feeder steer weight category had the largest decline losing $29.00 per cwt. Feeder steer prices overall averaged about $13 per cwt lower over the different weight categories.

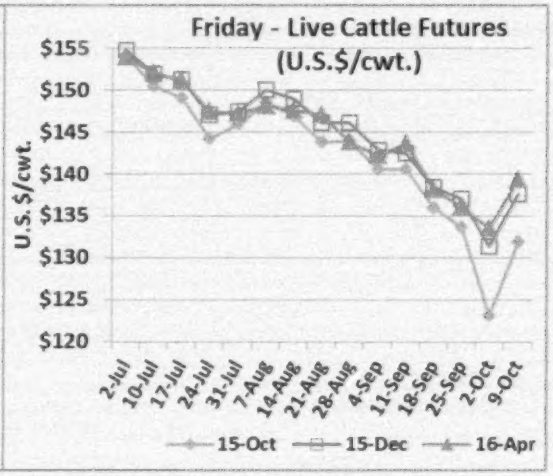
Saskatchewan feeder heifer prices over the week were also lower in all weight categories. Feeder heifer prices over the week ranged between $4.65 per cwt lower and $24.50 per cwt lower. The 300-400 lb. feeder heifer weight category had the largest decline losing $24.50 per cwt. Feeder heifer prices overall averaged about $12 per cwt lower over the week.

The Saskatchewan 750 lb. feeder steer basis compared to the October 8, 2015, U.S. feeder cattle index at US$184.29 per cwt was calculated at **+$8.39** per cwt (US$184.29/0.7730-$246.80), a basis widening (negative) of $0.93 per cwt from the basis of **+$9.32** per cwt the previous week. This was the seventh week in a row that Saskatchewan cattle had a positive basis.

Feeder cattle futures prices were strong over the week rebounding with some big daily gains to increase, week-over-week. The October feeder cattle futures contract increased US$9.875 per cwt to settle Friday at US$189.375 per cwt, while the November contract increased US$12.075 per cwt to settle Friday at US$186.600 per cwt.



Source: CME



Source: CME

Live cattle futures prices were also strong over the week rebounding to end the week higher, week-over-week. The nearby October contract increased US$8.85 per cwt to settle Friday at US$131.925 per cwt, while the December contract increased US$6.20 per cwt to settle Friday at US$137.575 per cwt.

Iowa cash corn prices were lower declining five cents to settle Friday at US$3.46 per bushel. Corn futures prices declined later in the week to end lower, week-over-week. The December corn futures contract declined 6.5 cents over the week to settle Friday at $3.82¾ per bushel, while the March 2016 contract declined six cents to settle Friday at $3.93½ per bushel.

Fed and Non-fed Cattle

	October 9, 2015	October 2, 2015	Change over Week
Steers (Alberta)			
Live	n/a	$160.73	n/a
Rail	n/a	$267-$273.5	n/a
Cows (Alberta)			
D1.2 Live	$120.30	$130.00	-$9.70
D3 Live	$105.70	$116.60	-$10.90
Rail	$230-235	$246-251	-$16.00

Source: Canfax. (n/a = not available, n/c = no change)

Prices for liveweight, non-fed cattle in Alberta were again lower over the week. For the week ending October 9, D1,2 slaughter cows declined $9.70 per cwt to average $120.30 per cwt, while the price of D3 slaughter cows declined $10.90 per cwt to average $105.70 per cwt.
Fed cattle prices in Western Canada for Alberta fed steers were not reported for the week. Alberta fed steer prices the previous week (Oct. 2) were reported to average $160.73 per cwt.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$125.35 per cwt, up US$7.64 per cwt or 6.5 per cent from US$117.71 per cwt the previous week, but down 23.5 per cent from US$163.82 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$195.92 per cwt, up US$8.44 per cwt from US$187.48 per cwt the previous week, but down 24.0 per cent from US$257.78 per cwt the same week a year ago.

Choice beef cutout prices (600-900 lb.) averaged US$203.67 per cwt over the week, down US$4.77 per cwt or 2.3 per cent from US$208.44 per cwt the previous week, and down 17.0 per cent from US$245.26 per cwt the same week a year ago.

Beef production for the week ending October 10 was estimated at 471.9 million lb., down 2.3 per cent from 483.0 million lb. the previous week, but up 1.5 per cent from 464.9 million lb. the same week a year ago.

United States Beef Exports

United States exported 58,940 metric tons of beef in August 2015, down 11.7 per cent from 66,726 metric tons in July 2015, and down 23.2 per cent from 76,703 metric tons in August 2014. By dollar amount, U.S. beef exports in August 2015 were US$431.2 million, down 11.1 per cent from US$485.3 million in July 2015, and down 26.8 per cent from US$588.9 million in August 2014. U.S. exports year-to-date August 2015 were 11.7 per cent lower by volume and 6.9 per cent lower by value. Exports by volume were higher to South Korea, Taiwan, and the European Union; but lower to Japan, Mexico, Canada and Hong Kong; compared to the first eight months in 2014. (Source: U.S. Meat Export Federation)

USDA World Agricultural Supply and Demand Estimates (WASDE)

On October 9, the USDA released the October World Agricultural Supply and Demand Estimates (WASDE). United States October corn production estimates were increased from September by 0.5 bushel per acre to 168.0 bushels per acre, on 80.7 million acres harvested (down 0.4 million acres). U.S. corn production estimates for October totaled 13.555 billion bushels, down 30 million bushels from September. USDA estimates were higher than the average trade estimates of 167.1 bushels per acre and total estimated production of 13.504 billion bushels. U.S. farm corn price estimates were increased by five cents per bushel to range between US$3.50 and US$4.10 per bushel for 2015/16.

USDA October World Agricultural Supply and Demand Estimates

		Million Pounds				Total Red Meat
	Quarter	Beef	Pork	Broiler	Turkey	& Poultry
2013	**Annual**	**25,720**	**23,187**	**37,830**	**5,806**	**93,333**
2014	**Annual**	**24,252**	**22,843**	**38,550**	**5,756**	**92,171**
2015	Sept. Proj.	23,549	24,526	40,012	5,568	94,406
2015	**Oct. Proj.**	**23,794**	**24,581**	**40,037**	**5,543**	**94,702**
% Chg.	Sept.- Oct.15	1.04%	0.22%	0.06%	-0.45%	**0.31%**
% Chg.	**2014-2015**	**-1.89%**	**7.61%**	**3.86%**	**-3.70%**	**2.75%**
2016	**Oct. Proj.**	**24,960**	**24,925**	**40,925**	**6,010**	**97,589**
% Chg.	**2015-2016**	**4.90%**	**1.40%**	**2.22%**	**8.43%**	**3.05%**

Source: USDA October WASDE Report, October 9, 2015

The USDA WASDE report estimated that United States Red Meat and Poultry production for 2015 will be 94.702 billion lb., a 0.3 per cent increase from the September estimates, and a 2.75 per cent increase from 2014. United States meat production for 2015 is projected to increase for pork (+7.6%), broilers (+3.9%), but decrease for beef (-1.9%) and turkeys (-3.7%), from 2014. Meat production estimates for 2016 were increased from September with increases to beef and pork production. U.S. meat production for 2016 is projected at 97.589 billion lb., up 3.0 per cent from the current 2015 projections, with beef (+4.9%) and turkey (+8.4%) leading the way.

Friday Price Information

Product		This Week (Oct. 9, 2015)	Week of: (Oct. 2, 2015)	Week of: (Oct. 10, 2014)
Canadian Dollar (closing rate US$)		.7730	.7596	.8915
U.S. Cash Cattle				
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		184.29	187.89	239.35
Seven-day Weighted Average FC Index Wt. (lb.)		746	759	749
Live Fed 5-area Steer Price (US$ per cwt)		125.35	117.71	163.82
Feed Grains				
Barley	Lethbridge ($/tonne)	N.A.	N.A.	175.00
	($ per bu.)	N.A.	N.A.	3.81
Corn	Iowa State Average (CDN$/tonne)*	176.21	181.91	130.71
	(US$ per bu.)	3.46	3.51	2.96
	Omaha, NE (CDN$/tonne)*	182.83	187.61	129.83
	(US$ per bu.)	3.59	3.62	2.94
Futures				
	Dec. Corn (US$ per bu.)	3.82¾	3.89¼	3.34
	March Corn (US$ per bu.)	3.93½	3.99½	3.46¾
	October Live Cattle (US$ per cwt)	131.925	123.075	164.900
	December Live Cattle (US$ per cwt)	137.575	131.375	165.300
	October Feeder Cattle (US$ per cwt)	189.375	179.500	240.500
	January Feeder Cattle (US$ per cwt)	181.075	169.350	233.100

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate (This week it is Thursday's CDN$)

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